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U.S. Economic Leadership

Voter discontent is reasonable. Blaming trade isn't.

THE ANNUAL summits of the Asia-Pacific Economic Cooperation forum became a fixture in the 1990s partly because the United States hoped to use them to open Asian markets. But President Bush's presence in Vietnam for this year's APEC gathering highlights **faltering U.S. economic leadership**. Mr. Bush hoped to arrive bearing Congress's blessing for Vietnam's accession to the World Trade Organization. But this prize has eluded him. Meanwhile, the APEC summit has rekindled hopes of progress on the Doha round of international trade talks. **But the U.S. ability to participate constructively in those talks will soon expire, because Mr. Bush's trade-promotion authority runs out next summer. A Democratic Congress seems unlikely to renew it.**

The Vietnam deal in particular demonstrates the **perversity of congressional obstructionism** on trade. U.S. negotiators have helped to secure access to Vietnam's markets as a condition for its joining the World Trade Organization. The negotiation is complete, and Vietnam will join the WTO irrespective of what Congress says. But Congress does have the power to shoot itself in the foot: If it refuses to ratify the deal, other WTO members will enjoy the market access that Vietnam has promised while the United States is denied it. An attempt to pass enabling legislation failed in the House this week, and a second attempt was pushed into December.

Congress is also sending confused signals on a trio of trade preferences due for renewal. One preference bill would extend trade concessions to four Andean countries -- Colombia, Peru, Bolivia and Ecuador -- that will otherwise expire at the end of this year. Another would help textile producers in Africa and Haiti. Yet a third would extend the Generalized System of Preferences, which helps more than 100 countries. Colombia's president, Alvaro Uribe, said last week that the risk of nonrenewal has already caused U.S. apparel companies to switch orders away from his country. Colombia is a pro-American democracy struggling against drug lords. This is not the way to treat it.

The preference bills are threatened by a minority in Congress who represent vulnerable textile regions and a majority that is supportive but lethargic. But even if Congress eventually bestirs itself to pass these measures, a fiercer battle will be joined on free-trade pacts that Mr. Bush has negotiated with Peru and Colombia. Both deals build on the market access granted by the preferences and end the periodic scramble for renewal; both would offer the United States new export opportunities. But the Democrats want to use their new majority status to write in tougher labor and environmental provisions. Reopening these deals will delay and possibly kill them, and the premise for doing so is wrong: The elected leaders of Peru and Colombia don't need the threat of trade sanctions to care about environmental damage or harsh labor practices that affect their citizens. By holding up trade deals that could raise living standards and provide alternatives to slash-and-burn agriculture, the Democrats will help neither workers nor the environment.

The world's trading system has been progressively opened since 1945, largely thanks to U.S. leadership. This has been one of the great achievements of the American era; denying the economic evidence that trade boosts growth is like denying the scientific evidence for climate change. Because the expansion of trade has coincided with a rise in inequality, many American voters are understandably skeptical of its benefits. But the Democrats must respond to that concern by implementing tax and spending policies that distribute prosperity more evenly, not by abandoning the nation's role as the chief driver of trade liberalization.